BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-03-13

IDAHO POWER COMPANY

EXHIBIT NO. 47

M. BRILZ

Derivation of Schedule 45 Standby Charges

**IDAHO POWER COMPANY**
**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**
**DERIVATION OF STANDBY CHARGES**
**December 31, 2003**

***DERIVATION OF WEIGHTED RESERVE MARGIN***

| Line No. | | Maximum Capacity | Operating Reserve Percentage | Operating Reserve | Weighted Reserve Margin |
|---|---|---|---|---|---|
| 1 | Thermal Plant * | 1,110.1 | 7% | 78 | 2.8% |
| 2 | Hydro Plant | 1,706.7 | 5% | 85 | 3.0% |
| 3 | TOTAL | 2,816.8 | | 163 | 5.8% |

* Excludes Danskin and Salmon Diesel

***DERIVATION OF STANDBY RESERVATION CHARGE***

| | | | | Unit Cost | Standby Reservation Charge Primary | Standby Reservation Charge Transmission |
|---|---|---|---|---|---|---|
| | Generation Reserve Component | | | | | |
| | Schedule 19 Production | (Unit Cost * 5.8% WRM) | | | | |
| 4 | Summer | | | 3.95204 | 0.23 | 0.23 |
| 5 | Non-Summer | | | 1.59645 | 0.09 | 0.09 |
| | Transmission Reserve Component | | | | | |
| 6 | Schedule 19 Transmission | (Unit Cost * 10% EFOR) | | 1.35670 | 0.14 | 0.14 |
| | Distribution Reserve Component | Total Cost | Billing Units | | | |
| 7 | Schedule 19 Substation | 1,577,379 | 3,903,470 | 0.40410 | 0.40 | |
| 8 | Schedule 19 Primary Lines | 3,205,775 | 3,903,470 | 0.82126 | 0.82 | |
| 9 | Schedule 19 Primary Trans | 274,457 | 3,903,470 | 0.07031 | 0.07 | |
| 10 | Dist. Subtotal | | | 1.296 | 1.30 | |
| | **TOTAL STANDBY RESERVATION CHARGE** | | | | | |
| 11 | Summer | | | | **$1.66** | **$0.36** |
| 12 | Non-Summer | | | | **$1.52** | **$0.23** |

***DERIVATION OF STANDBY DEMAND CHARGE***

| | | |
|---|---|---|
| | Schedule 45 Total Demand Component | |
| 13 | Summer | 6.60 |
| 14 | Non-Summer | 4.25 |
| 15 | Ratio of $3.95 to $5.31 | 0.74388 |
| 16 | Ratio of $3.25 to $2.95 | 1.10169 |
| | ***Schedule 45 Primary Standby Demand Charge*** | |
| 17 | Summer | **$4.91** |
| 18 | Non-Summer | **$4.68** |
| | Less Avoided Losses at Transmission Voltage | |
| 19 | Summer | 0.27 |
| 20 | Non-Summer | 0.26 |
| | ***Schedule 45 Transmission Standby Demand Charge*** | |
| 21 | Summer | **$4.64** |
| 22 | Non-Summer | **$4.42** |

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